

Turmeric Outlook – March 2018

India is the largest turmeric producer with 75-80% of the global production and demand for the commodity has been increasing rapidly from the medicinal and cosmetic industry. The important turmeric growing States in India are Telangana, Andhra Pradesh, Tamil Nadu, Karnataka, Kerala, Maharashtra, Orissa, Assam, and West Bengal, in which Telangana occupies large area under Turmeric.

Turmeric sown area for current year would be around 1,56,054 hectares as compared to last year's 1,87,713 hectares. The first preliminary production estimate of Turmeric production for 2017-18 is estimated at 4,76,719 MT (dry crop) compared to previous year's 5,60,177 MT (Agriwatch).

Table 1: Turmeric Arrivals in Major Markets

Market	23 th Feb to 1 st Mar 2018	16 th Feb to 22 nd Feb 2018	23 th Feb to 1 st Mar 2017
Nizamabad (Andhra Pradesh)	57,000	75,000	46,000
Duggirala (Andhra Pradesh)*	3193	16000	14,500
Salem (Tamil Nadu)*	4	165.8	93
Erode (Tamil Nadu) #	15,700	9,500	17,500
Sangli (Maharashtra)	84890	67400	115,000
Warangal (Telangana) #	1000	150	230
Total	161,787	168,216	193,323

Source: www.agriwatch.com Arrival * quintals, # 65 kg

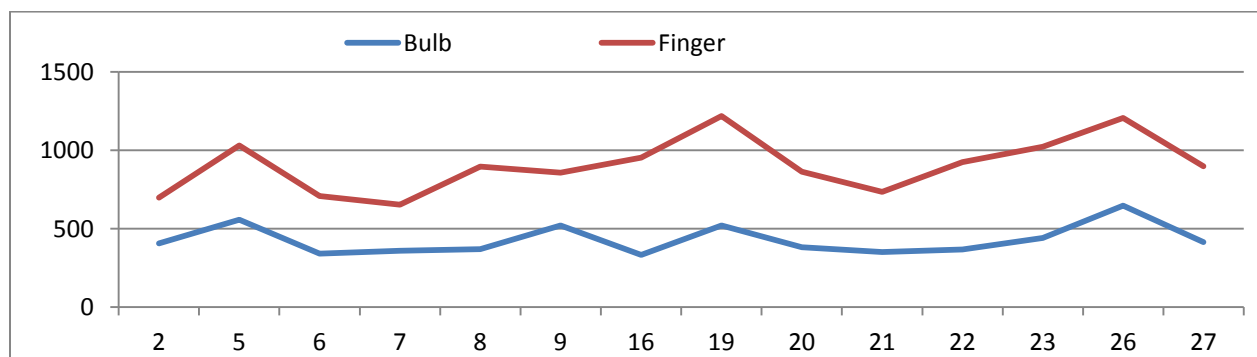
As per market sources, farmers in Tamil Nadu, currently have around 5 lakh bags (1 bag = 75kgs) turmeric stocks as compared to last year's 9 lakh bags. In Erode, new supplies of Mysore turmeric arrived at the market. Buyers reported unresponsive for this variety due to small size. Farmers and stockists were holding back their old stocks on expectation of higher prices in coming days (after 15th March) as current year production is likely to decline due to lower acreage in Tamil Nadu, by 40-45%.

Table 2: Turmeric Spot Prices at Different Markets in India (Rs./quintal)

Centre	Variety	Week Ago 22-Feb-18	Month Ago 29-Jan-18	Year Ago 1-Mar-17
Nizamabad (Telangana)	Nizam quality	6900	7700	7000
	Double polish finger	7500	8300	7700
	Gattah (unpolished)	6500	7500	6300
	Gattah (double polished)	7500	8100	7000
Duggirala (Tamil Nadu)	Bulb	6100	6500	6500
	Finger	6649	7085	NA
	Finger	6976	7194	NA
Erode (Tamil Nadu)	Gattah	4000	2500	1094
	Sellem	7900	8000	8300
Salem (Tamil Nadu)	Bulb	4000	2000	4000
	Finger	7450	7400	7600
Sangli (Maharashtra)	Rajpuri/Selam Finger	9300	8650	8550
	Desi Kadappa	7900	7319	NA
Warangal (Telangana)	Finger	8099	7610	NA
	Round	NR	NR	NA

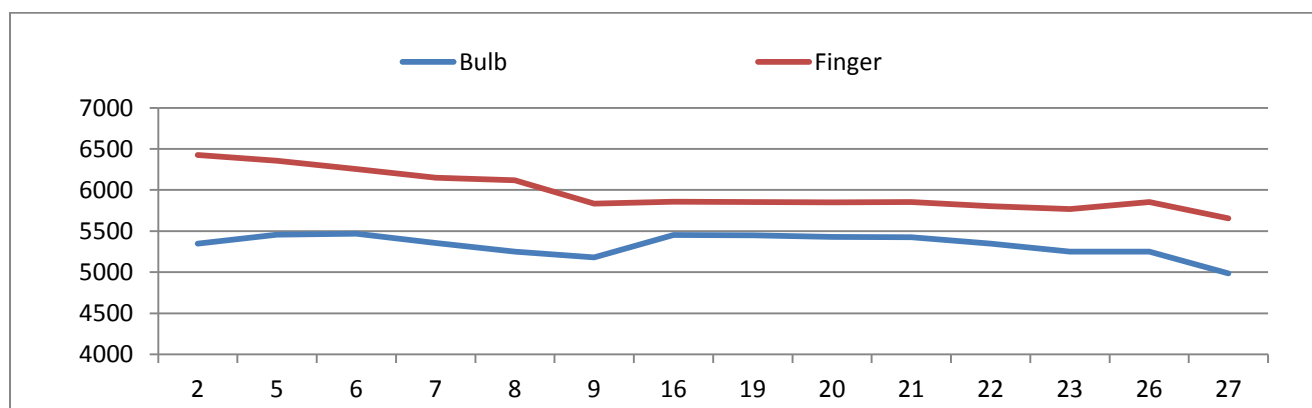
Source: www.agriwatch.com

Turmeric spot market prices presented in Table 2 reveals that prices have crashed down as compared to month.



Source: Agriculture marketing department, Government of Telangana

Figure 1: Turmeric Arrivals at Nizamabad Market in tonnes during February 2018



Source: Agriculture marketing department, Government of Telangana

Figure 2: Turmeric model market price at Nizamabad Market during February 2018 (Rs/q)

Both the arrivals and price of turmeric fingers are higher as compared to turmeric bulbs. The prices of both finger and bulbs have fallen during February 2018 as compared to previous month.

The Centre has agreed to set up a special cell in the Spices Board for Telangana government to take care of issues related to turmeric farmers. Telangana is being a top producer of turmeric in the country, farmers, however, are selling the produce at a lower rate in the absence of protection from the market volatility.

Under these circumstances, Agricultural Market Intelligence Centre, PJTSAU expect that Turmeric prices are likely to trade in price range between Rs.5800-6800 per quintal during March 2018.